

# STINSON, MAG & FIZZELL

920 MAIN STREET  
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THE MAST BUILDING  
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OVERLAND PARK, KANSAS 66210-2329

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5-163A023

June 11, 1985

JUN 12 1985

14704 No. 1425  
RECORDATION NO. Filed Date

JUN 12 1985 - 1 25 PM

Rec \$

Ms. Agatha L. Mergonovich  
Secretary

Interstate Commerce Commission

Twelfth Street and Constitution Avenue N.W.  
Washington, D.C. 20423

INTERSTATE COMMERCE COMMISSION  
Washington, D. C.

Dear Ms. Mergonovich:

Enclosed please find an original and two copies of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a sublease, a primary document, dated May 31, 1985. The names and addresses of the parties to the document are as follows:

Sublessor: Farmland Industries, Inc.  
3315 N. Oak Trafficway  
Kansas City, Missouri 64116

Sublessee: Union Equity Co-Operative Exchange  
P.O. Box 3408  
Enid, Oklahoma 73702

A description of the equipment covered by the document is as follows:

1,308 100-ton Covered Hopper Cars, AAR Mechanical Designation LO, marked and numbered as follows:

FLIX 502  
FLIX 520  
FLIX 523  
FLIX 525  
FLIX 527  
FLIX 529  
FLIX 532  
FLIX 557  
FLIX 562 through FLIX 564, inclusive

ICC OFFICE OF  
THE SECRETARY  
JUN 12 1 20 PM '85  
MOTOR OPERATING UNIT

FLIX 566  
FLIX 572  
FLIX 576  
FLIX 593  
FLIX 600 through FLIX 678, inclusive  
FLIX 680 through FLIX 699, inclusive  
FLIX 2000 through FLIX 2081, inclusive  
FLIX 2083 through FLIX 2144, inclusive  
FLIX 2146  
FLIX 2148 through FLIX 2160, inclusive  
FLIX 2162 through FLIX 2249, inclusive  
FLIX 2251 through FLIX 2261, inclusive  
FLIX 2263 through FLIX 2281, inclusive  
FLIX 2283 through FLIX 2354, inclusive  
FLIX 2356  
FLIX 2358 through FLIX 2499, inclusive  
FLIX 2600  
FLIX 2602 through FLIX 2613, inclusive  
FLIX 2615 through FLIX 2645, inclusive  
FLIX 2647 through FLIX 2742, inclusive  
FLIX 2744 through FLIX 2754, inclusive  
FLIX 2756 through FLIX 2889, inclusive  
FLIX 2891 through FLIX 2924, inclusive  
FLIX 2926 through FLIX 2927, inclusive  
FLIX 2929 through FLIX 2938, inclusive  
FLIX 2940 through FLIX 2948, inclusive  
FLIX 2950 through FLIX 2972, inclusive  
FLIX 2974 through FLIX 2995, inclusive  
FLIX 2997  
FLIX 2999 through FLIX 3006, inclusive  
FLIX 3008 through FLIX 3018, inclusive  
FLIX 3020 through FLIX 3023, inclusive  
FLIX 3025 through FLIX 3027, inclusive  
FLIX 3029 through FLIX 3094, inclusive  
FLIX 3096 through FLIX 3123, inclusive  
FLIX 3125 through FLIX 3127, inclusive  
FLIX 3129 through FLIX 3145, inclusive  
FLIX 3147 through FLIX 3275, inclusive  
FLIX 3277 through FLIX 3324, inclusive

A fee of \$10 is enclosed. Please return the original and any copies not needed by the Commission for recordation to the undersigned.

A short summary of the document to appear in the index is as follows:

Equipment Sublease between Farmland Industries, Inc., 3315 N. Oak Trafficway, Kansas City, Missouri and Union Equity Co-Operative Exchange, P.O. Box 3408, Enid, Oklahoma, dated May 31, 1985, and covering 1,308 covered hopper cars marked and numbered as follows:

FLIX 502  
FLIX 520  
FLIX 523  
FLIX 525  
FLIX 527  
FLIX 529  
FLIX 532  
FLIX 557  
FLIX 562 through FLIX 564, inclusive  
FLIX 566  
FLIX 572  
FLIX 576  
FLIX 593  
FLIX 600 through FLIX 678, inclusive  
FLIX 680 through FLIX 699, inclusive  
FLIX 2000 through FLIX 2081, inclusive  
FLIX 2083 through FLIX 2144, inclusive  
FLIX 2146  
FLIX 2148 through FLIX 2160, inclusive  
FLIX 2162 through FLIX 2249, inclusive  
FLIX 2251 through FLIX 2261, inclusive  
FLIX 2263 through FLIX 2281, inclusive  
FLIX 2283 through FLIX 2354, inclusive  
FLIX 2356  
FLIX 2358 through FLIX 2499, inclusive  
FLIX 2600  
FLIX 2602 through FLIX 2613, inclusive  
FLIX 2615 through FLIX 2645, inclusive  
FLIX 2647 through FLIX 2699, inclusive  
FLIX 2700 through FLIX 2742, inclusive  
FLIX 2744 through FLIX 2754, inclusive  
FLIX 2756 through FLIX 2889, inclusive  
FLIX 2891 through FLIX 2924, inclusive  
FLIX 2926 through FLIX 2927, inclusive  
FLIX 2929 through FLIX 2938, inclusive  
FLIX 2940 through FLIX 2948, inclusive  
FLIX 2950 through FLIX 2972, inclusive  
FLIX 2974 through FLIX 2995, inclusive  
FLIX 2997  
FLIX 2999 through FLIX 3006, inclusive  
FLIX 3008 through FLIX 3018, inclusive

Ms. Agatha L. Mergonovich

-4-

June 11, 1985

FLIX 3020 through FLIX 3023, inclusive  
FLIX 3025 through FLIX 3027, inclusive  
FLIX 3029 through FLIX 3094, inclusive  
FLIX 3096 through FLIX 3123, inclusive  
FLIX 3125 through FLIX 3127, inclusive  
FLIX 3129 through FLIX 3145, inclusive  
FLIX 3147 through FLIX 3275, inclusive  
FLIX 3277 through FLIX 3324, inclusive

Very truly yours,

STINSON, MAG & FIZZELL

By *Sharon K. Pappas*  
Sharon K. Pappas

SKP:pm  
Enclosures

Interstate Commerce Commission  
Washington, D.C. 20423

6/12/85

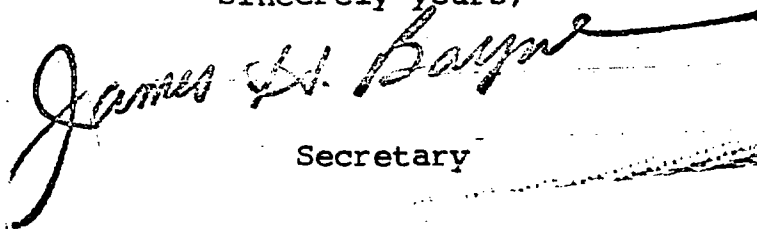
OFFICE OF THE SECRETARY

Sharon K. Pappas  
Stinson, Mag & Fizzell  
The Mast Building  
7500 West 110th Street  
Overland Park, Kansas 66210-2329

Dear Ms. Pappas:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 6/12/85 at 1:25pm and assigned re-recording number(s). 14704

Sincerely yours,

  
Secretary

Enclosure(s)

14704  
REGISTRATION NO. \_\_\_\_\_ Filed 1425

JUN 12 1985 - 1 25 PM

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INTERSTATE COMMERCE COMMISSION

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EQUIPMENT SUBLEASE

Dated as of May 31, 1985

Between

FARMLAND INDUSTRIES, INC.

SUBLESSOR

And

UNION EQUITY CO-OPERATIVE EXCHANGE

SUBLESSEE

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CONFORMED COPY

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Schedule H	Pending or Threatened Actions or Proceedings
Exhibit I	OT-5 Approvals

## EQUIPMENT SUBLEASE

THIS EQUIPMENT SUBLEASE dated as of May 31, 1985, between FARMLAND INDUSTRIES, INC., a Kansas cooperative corporation (the "Sublessor"), and UNION EQUITY CO-OPERATIVE EXCHANGE, an Oklahoma corporation (the "Sublessee");

### R E C I T A L S:

WHEREAS, the Sublessor has heretofore leased the Items of Equipment described in each of the Applicable Schedules under the applicable Equipment Leases described in such Schedules; and

WHEREAS, the Sublessee desires to sublease the Items of Equipment at the rentals and for the terms and upon the conditions hereinafter provided;

NOW, THEREFORE, in consideration of the premises and of the rentals to be paid and the covenants hereinafter mentioned to be kept and performed by the Sublessee, the Sublessor hereby subleases the Equipment to the Sublessee upon the following terms and conditions:

### SECTION 1. DEFINITIONS, SUBLEASE AND DELIVERY OF EQUIPMENT.

#### 1.1. Definitions.

(a) The phrase "applicable Equipment Lease" when used in connection with an Item of Equipment shall mean the equipment lease under which the Sublessor is the lessee of such Item of Equipment and which equipment lease is described in the applicable Schedule.

(b) The phrase "applicable Schedule" when used in connection with an Item of Equipment shall mean the Schedule attached hereto in which such Item of Equipment is described.

(c) The phrase "Applicable Schedules" shall mean Schedules A-1, B-1, C-1, D-1, E-1, F-1 and G-1 attached hereto and made a part hereof.

(d) The phrase "appropriate Lessor" when used in connection with an Item of Equipment shall mean the Lessor of such Item of Equipment under the

applicable Equipment Lease relating to such Item of Equipment and described in the applicable Schedule.

(e) The phrase "appropriate Trustor" when used in connection with an Item of Equipment shall mean the Trustor described in the applicable Schedule.

(f) The phrase "Casualty Occurrence" shall mean any event causing any Item of Equipment to be lost, stolen, destroyed or irreparably damaged or the title thereto or the use thereof to be requisitioned or otherwise taken by any governmental authority for a stated period which exceeds the Initial Sublease Term or any renewal period or extension of this Sublease.

(g) The phrase "Casualty Occurrence Date" shall mean the date of a Casualty Occurrence as to any Item of Equipment.

(h) The phrase "Effective Date" when used in connection with an Item of Equipment shall mean the acceptance date set forth in the Certificate of Acceptance with respect to such Item of Equipment.

(i) The term "Equipment" shall mean all of the Items of Equipment leased hereunder and described in the Applicable Schedules.

(j) The phrase "Item of Equipment" or "Items of Equipment" shall mean one or more of the items of equipment leased hereunder and described on any applicable Schedule.

1.2. Intent to Sublease and Hire. On the Effective Date with respect to each Item of Equipment, the Sublessee shall sublease from the Sublessor and the Sublessor shall hire to the Sublessee such Item of Equipment for the rental and on and subject to the terms and conditions herein set forth.

1.3. Inspection and Acceptance. The Sublessor shall cause each Item of Equipment to be delivered to facilities owned or controlled by Sublessee for inspection on May 31, 1985, or as soon thereafter as possible to the Sublessee. Upon such delivery, the Sublessee will cause an inspector designated and authorized by the Sublessee to inspect the same before loading for any contamination or damage. The Sublessee will execute and deliver to the Sublessor a Certificate of Acceptance (the "Certificate of Acceptance") setting forth the Item or Items of

Equipment accepted and the acceptance date with respect to each Item of Equipment. The Sublessee shall not be required to accept any contaminated Item of Equipment or any Item of Equipment which is not in good order and condition, and the Sublessor shall take such steps as may be necessary to remove as soon as practicable any such contamination or to place such Item of Equipment in good order and condition and upon accomplishing the same shall notify the Sublessee. The Sublessee shall promptly reinspect the Item of Equipment and execute a Certificate of Acceptance with respect thereto. The loading of such Item of Equipment after May 31, 1985 by or on behalf of the Sublessee or the failure to notify Sublessor that such Item of Equipment is not in good order and condition or that such Item of Equipment is contaminated shall constitute the acknowledgement by the Sublessee that such Item of Equipment was not contaminated and was in good order and condition at the time of acceptance.

1.4. Certificate of Acceptance. The Sublessee's execution and delivery of a Certificate of Acceptance with respect to each Item of Equipment pursuant to Section 1.3 hereof shall conclusively establish that, as between the Sublessor and the Sublessee, such Item of Equipment is acceptable to and accepted by the Sublessee under this Sublease.

## SECTION 2. RENTALS AND PAYMENT DATES.

### 2.1. Rent for Equipment.

(a) The Sublessee shall pay to the Sublessor a monthly fixed rental (such amount being hereinafter referred to as "Monthly Rental") for each Item of Equipment during the term hereof in the amount of Three Hundred Eighty Four Dollars (\$384.00) per month for each Item of Equipment. The Sublessor shall credit to the Sublessee each month during the thirty-six month period commencing with the month of June, 1985, the amount of Thirty Seven Thousand Five Hundred Dollars (\$37,500) to be applied against and intended as a credit against the aggregate Monthly Rental for such month.

(b) On or before September 1 of each year, commencing September 1, 1986, the Sublessor shall compute for the twelve-month period ending as of the preceding May 30 of such year the following:

(i) the average maintenance and repair cost for each Item of Equipment per month (the "Average Maintenance Cost") which is an amount

equal to (1) the sum of all maintenance and repair costs with respect to each Item of Equipment incurred or paid by the Sublessor during such twelve-month period divided by twelve, divided by (2) an amount equal to the total number of Items of Equipment in service each day during the twelve-month period divided by 365 (the "Average Number of Items of Equipment").

(ii) the average taxes for each Item of Equipment per month (the "Average Tax Cost") which is an amount equal to (1) the sum of all taxes with respect to each Item of Equipment incurred or paid by the Sublessor during such twelve-month period divided by twelve, divided by (2) the Average Number of Items of Equipment. As used in this clause 2.1(b)(ii) the term "taxes" shall mean any and all Impositions or Imposts, as defined in Section 10.2 of the applicable Equipment Lease.

If the Average Maintenance Cost is less than Fifty-Two Dollars (\$52.00) per month for each Item of Equipment, the Sublessor shall pay by wire transfer as provided in Section 21.2 to the Sublessee on or before September 1 of each year an amount equal to (1) the amount by which Fifty-Two Dollars (\$52.00) exceeds the Average Maintenance Cost multiplied by twelve, multiplied by (2) the Average Number of Items of Equipment.

If the Average Tax Cost is less than Fifteen Dollars (\$15.00) per month for each Item of Equipment, the Sublessor shall pay by wire transfer as provided in Section 21.2 to the Sublessee on or before September 1 of each year an amount equal to (1) the amount by which Fifteen Dollars (\$15.00) exceeds the Average Tax Cost multiplied by twelve, multiplied by (2) the Average Number of Items of Equipment.

2.2. Rent Payment Dates. The first installment of Monthly Rental for each Item of Equipment shall be due and payable within five (5) days of the last day of the month in which the Effective Date falls and the remaining installments shall be due and payable within five (5) days of the last day of each month thereafter, with the final installment payable within five (5) days of the last day of the month in which this Sublease terminates pursuant to the terms of Section 3 hereof. The first

installment of Monthly Rental shall be payable pro rata for the number of days from the Effective Date to and including the last day of the month in which the Effective Date falls (or in the case of any Item or Items of Equipment with the Effective Date being the last day in any month, for one day). The final installment of Monthly Rental shall be payable pro rata for the number of days from the first day of the month in which this Sublease terminates to and including the date of termination of this Sublease as provided in Section 3 or Section 18.1 hereof as to any Item of Equipment. In the event of a Casualty Occurrence to an Item of Equipment during any monthly period, the Monthly Rental for such month shall be reduced pro rata for the number of days from the Casualty Occurrence Date to and including the last day of the month. If any of the rent payment dates is not a business day, the rent payment otherwise payable on such date shall be payable on the next succeeding business day. For purposes of this Sublease, the term "business day" means calendar days, excluding Saturdays, Sundays and holidays on which banks in the State of Missouri or Oklahoma are authorized or required to close.

2.3. Place and Manner of Rent Payment. The payments to be made by the Sublessee under this Sublease shall be made as follows:

(a) Each installment of Monthly Rental (except to the extent otherwise specified below) shall be paid to the Sublessor by wire transfer to the Sublessor at the place and in the manner provided for payments in Section 21.2 hereof; provided that in the event the Sublessor shall notify the Sublessee in writing that the right to receive payment of any installment as to any Item of Equipment shall have been assigned in accordance with Section 16 hereof, the Sublessee shall make such payment by wire transfer to the place designated in such notice or as otherwise designated from time to time in writing by such assignee;

(b) The entire amount of any payment relating to a Casualty Occurrence pursuant to Section 11 hereof shall be paid to the Sublessor by wire transfer (identifying the same as a payment for a Casualty Occurrence) and transmitted to the Sublessor in the manner provided for payments in Section 11.3 and Section 21.2 hereof; provided that in the event the Sublessor shall notify the Sublessee in writing that

the right to receive payment of such amount shall have been assigned in accordance with Section 16 hereof, the Sublessee shall make such payment by wire transfer in the manner designated in such notice or as otherwise designated from time to time in writing by such assignee; and

(c) The amount of any interest due in respect of the late payment of any rentals or other amounts pursuant to Section 19 hereof shall be paid to the Sublessor in the manner herein provided to receive said rental or other amount.

The Sublessee shall make payments due hereunder by wire transfer where specified above promptly following the opening of business of the office of the transferring bank on the due date of such payment in Federal or otherwise immediately available funds to the Sublessor or any assignee of the Sublessor pursuant to Section 16 hereof and where not so specified, such payment shall be made by check of the Sublessee drawn on a bank located in the continental United States and mailed to the Sublessor or any assignee of the Sublessor pursuant to Section 16 hereof at the address herein provided or at such other address as the Sublessee shall have been previously advised in writing.

2.4. Net Sublease. The Sublessee's obligation to pay all Monthly Rental and other amounts payable hereunder shall be absolute and unconditional under any and all circumstances and, the Sublessor's obligation to pay all Mileage and other amounts payable hereunder shall be absolute and unconditional under any and all circumstances.

### ✓ SECTION 3. TERM OF THE SUBLEASE.

The term of this Sublease as to each Item of Equipment shall begin on the Effective Date with respect to such Item of Equipment and, subject to the provisions of Sections 11, 14 and 18 hereof, shall terminate on May 30, 1986 (the "Termination Date" and the initial term of this Sublease ending on May 30, 1986, being referred to herein as the "Initial Sublease Term"); provided, however, that the Sublessor shall have the right upon written notice to the Sublessee given at least thirty (30) days prior to May 30, 1986 and each May 30 thereafter to renew the term of this Sublease as to any Items of Equipment for a period of twelve months commencing on the next succeeding May 30 or a portion thereof as shall be specified in the renewal notice (the "Short Term Renewal Periods"). In no event shall (i) a Short



Term Renewal Period with respect to any Item of Equipment extend beyond one year, or (ii) the final Short Term Renewal Period with respect to any Item of Equipment extend beyond the date specified in the applicable Schedule as the Final Termination Date. In the event the necessary parties under the applicable Equipment Lease as to any Items of Equipment consent as required in such applicable Equipment Lease to the sublease of such Items of Equipment pursuant to the provisions of this Sublease for a term expiring on the Final Termination Date, the Sublessor shall have the right upon written notice to the Sublessee to extend the term of this Sublease with respect to such Items of Equipment for a period ending on the Final Termination Date specified in the applicable Schedule (the "Long Term Extension Period"); the Sublessee and the Sublessor hereby agree to any modifications of and amendments to the terms of this Sublease which are requested by such parties as a condition to their consent and are approved by the Sublessor, but which, do not materially adversely affect the Sublessee's use or operation of the Equipment.

#### SECTION 4. OWNERSHIP AND MARKING OF EQUIPMENT.

##### 4.1. Sublessee's Interest.

Sublessee acknowledges and agrees that nothing herein contained gives Sublessee any title to any Item of Equipment nor any property right or interest therein except solely as Sublessee hereunder and subject to all terms hereof and that its rights hereunder as to any Item of Equipment are subject and subordinate to the Equipment Lease designated in the applicable Schedule; executed Equipment Leases and amendments will be provided by Sublessor no later than June 5, 1985 to the Sublessee.

4.2. Duty to Number and Mark Equipment. The Sublessee will cause each Item of Equipment to be kept numbered with the Sublessor's road number as set forth in the applicable Schedule and will keep and maintain, plainly, distinctly, permanently and conspicuously marked by a plate or stencil printed in contrasting color upon each side of each Item of Equipment in letters not less than one inch in height the marking specified in the applicable Schedule, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the title to such Item of Equipment, the rights of the Sublessor under this Sublease and the rights of any assignee under Section 16 hereof. The Sublessee will replace promptly any such names and word or words which may be removed, defaced or destroyed. The Sublessee will not change the road number of any Item of Equipment except with the consent or upon

the direction of the Sublessor. The Sublessor will be responsible for paying to Sublessee by wire transfer pursuant to Section 21.2 all reasonable costs incurred by the Sublessee under this Section 4.2 within thirty (30) days after receipt of written notice of such costs incurred by Sublessee.

4.3. Prohibition Against Certain Designations. Except as above provided, the Sublessee will not allow the name of any person, association or corporation to be placed on the Equipment as a designation that might be interpreted as a claim of ownership. Sublessee shall not change or remove any markings, insignias, names or initials on an Item of Equipment at the time of delivery thereof without the prior written consent of the Sublessor. The Sublessee may place its logo on any Item of Equipment; provided, however, that the Sublessee must at its own expense remove such logo and restore the surface of such Item of Equipment to its condition before the logo was placed thereon prior to the return of the Item of Equipment pursuant to Section 13 or Section 15 hereof.

#### SECTION 5. DISCLAIMER OF WARRANTIES.

THE SUBLESSOR SUBLEASES THE EQUIPMENT, AS-IS, WHERE-IS, IN WHATEVER CONDITION IT MAY BE, WITHOUT ANY AGREEMENT, WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, BY THE SUBLESSOR, WHICH EXPRESSLY DISCLAIMS ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO (A) THE FITNESS FOR ANY PARTICULAR PURPOSE OR MERCHANTABILITY OF ANY ITEM OR ITEMS OF EQUIPMENT, (B) THE SUBLESSOR'S INTEREST THEREIN, (C) THE SUBLESSEE'S RIGHT TO THE QUIET ENJOYMENT THEREOF, (D) THE DESIGN, DURABILITY OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL, EQUIPMENT OR WORKMANSHIP IN, THE EQUIPMENT, OR (E) ANY OTHER MATTER WHATSOEVER, IT BEING AGREED THAT ALL SUCH RISKS, AS BETWEEN THE SUBLESSOR AND THE SUBLESSEE, ARE TO BE BORNE BY THE SUBLESSEE. As to any Item of Equipment, neither the appropriate Lessor nor the Sublessor shall have any responsibility or liability to the Sublessee or any other person with respect to any of the following: (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by any such Item of Equipment or by any inadequacy thereof or deficiency or defect therein or by any other circumstances in connection therewith; (ii) the use, operation or performance of any such Item of Equipment or any risks relating thereto; (iii) any interruption of service, loss of business or anticipated profits or consequential damages; or (iv) the delivery, operation or replacement of any such Item of Equipment. The Sublessee's execution and delivery of a Certificate of Acceptance relating to any Item of Equipment shall

be conclusive evidence as between the Sublessee and the Sublessor that all Items of Equipment described therein are in all the foregoing respects satisfactory to the Sublessee, and the Sublessee will not assert any claim of any nature whatsoever against the Sublessor or the appropriate Lessor based on any of the foregoing matters.

## SECTION 6. SUBLESSEE'S INDEMNITY.

### 6.1. Scope of Indemnity.

(a) Sublessee shall indemnify and hold Sublessor harmless from and against any loss, liability, claim, damage or expense (including, unless such Sublessee assumes the defense, the reasonable cost of investigating and defending against any claim for damages) arising out of or in connection with the use of any Item of Equipment while in such Sublessee's service during the term of this Sublease, excepting, however, any loss, liability, claim, damage or expense (1) which accrues with respect to any Item of Equipment while such Item of Equipment is in a repair shop undergoing repairs, (2) which is attributable solely to the negligence or omission of the Sublessor, its agents or employees, or (3) for which a railroad or railroads have assumed full responsibility including investigating and defending against any claim for damages.

(b) The Sublessee shall indemnify and save harmless the Sublessor, its successors and assigns with respect to any amounts required to be paid or provided pursuant to the Tax Indemnity Agreements or Tax Indemnification Agreements (the "Agreements") described on the Applicable Schedules as a result of any of the representations or covenants set forth below being incorrect or untrue, and Sublessee shall indemnify and hold Sublessor, its successors and assigns harmless with respect to any expenses or costs incurred as the result of any claim made thereunder. The Sublessee hereby represents and covenants as follows:

(i) That during the term of this Sublease, all Items of Equipment will constitute "section 38 property" within the meaning of section 48(a) of the Internal Revenue Code of 1954.

(ii) During the term of this Sublease, the Sublessee will not make any replacement, alteration, modification and/or addition to any Item of Equipment which would require any Lessor or Trustor described in any of the Applicable Schedules to realize any income as a consequence thereof unless such replacement, alteration, modification and/or addition is a Required Alteration.

(iii) During the term of this Sublease, no Item of Equipment shall be used outside of the United States.

6.2. Continuation of Indemnities and Assumptions. The indemnities and assumptions of liability in this Section 6 contained shall continue in full force and effect notwithstanding the termination of this Sublease, or the termination of the term hereof in respect of any one or more Items of Equipment, whether by expiration of time, by operation of law, as provided in Section 18 or otherwise; provided, however, that such indemnities and assumptions of liability shall not apply in respect to matters occurring after the termination of this Sublease as to any Item of Equipment, except for any such matters arising in connection with the Sublessee's assembling, delivery or transportation of the Equipment as provided in Section 13 or 15, as the case may be.

Upon receipt by Sublessor of notice of any claim, cause of action or liability indemnified against in Section 6.1(a) hereof, the Sublessor shall promptly notify the Sublessee of such claim, cause of action or liability, and the Sublessee shall be entitled to control (but with counsel reasonably satisfactory to Sublessor) and shall assume full responsibility for, the defense of such claim, cause of action or liability.

#### SECTION 7. RULES, LAWS AND REGULATIONS.

The Sublessee shall comply with all governmental laws, regulations, requirements and rules (including, without limitation, the rules of the United States Department of Transportation, the Interstate Commerce Commission and the current Interchange Rules or supplements thereto of the Mechanical Division, Association of American Railroads as the same may be in effect from time to time) (the "Interchange Rules") with respect to the use of each Item of Equipment subject to this Sublease. In case any equipment or appliance is required to be added to or installed on any Item of Equipment or replaced

or modified in order to comply with such laws, regulations, requirements and rules ("Required Alteration"), the Sublessee agrees to promptly notify Sublessor of such requirements and Sublessor shall make such Required Alterations at its own expense. The Sublessee shall not make any Required Alteration without the Sublessor's written consent. The Required Alterations shall immediately be and become subject to the interest of the owner of the Item of Equipment, any secured party and the Sublessor and subject to the terms of this Sublease.

#### SECTION 8. USE AND MAINTENANCE OF EQUIPMENT.

The Sublessee shall use the Equipment only in the manner for which it was designed and intended and so as to subject it only to ordinary wear and tear. Sublessee shall regularly inspect each Item of Equipment and shall promptly notify Sublessor in writing of any maintenance or repair required with respect to any Item of Equipment. The Sublessee shall make such Item of Equipment available for such maintenance and repair and shall give the Sublessor prompt written notice thereof. Subject to the terms and conditions of the last sentence of this Section, the Sublessor shall, at its own cost and expense, maintain and keep the Equipment (including any parts installed thereon or replacements made thereon) made available to it for such purpose in good operating order, condition and repair, ordinary wear and tear excepted, but nothing herein contained shall be construed as requiring the Sublessor to repair any Item of Equipment and make the same available to the Sublessee on any schedule more expedited than the Sublessor would do if such Item of Equipment was being repaired for its own use. The Sublessee shall not modify or repair any Item of Equipment without the prior written consent of the Sublessor and any assignee pursuant to Section 16 hereof.

Neither the appropriate Lessor, the appropriate Trustor or the Sublessor shall be liable for any loss of, or damage to, commodities or any part thereof, loaded or shipped in any Item of Equipment however such loss or damage shall be caused or shall result. The Sublessee agrees to assume responsibility for, to indemnify the Sublessor, the appropriate Lessor and the appropriate Trustor, their successors and assigns, against and to save each of them harmless from any such loss or damage or claim therefor.

In the event that any Item of Equipment is damaged by any commodity which may be transported or stored in or on such Item of Equipment, such repairs as may be necessary to place the

Item of Equipment in good repair and condition shall be at the sole cost and expense of Sublessee. The Sublessor shall not be liable for the costs of repair or maintenance of any Item of Equipment which arise as a result of the Sublessee's abuse, negligence or use thereof in a manner not permitted hereunder.

#### SECTION 9. LIENS ON THE EQUIPMENT.

The Sublessee shall pay or satisfy and discharge any and all claims against, through or under the Sublessee and its successors or assigns which, if unpaid, might constitute or become a lien or a charge upon any Item of Equipment, and any liens or charges which may be levied against or imposed upon any Item of Equipment as a result of the failure of the Sublessee to perform or observe any of its covenants or agreements under this Sublease and any other liens or charges which arise by virtue of claims against, through or under any other person, but the Sublessee shall not be required to pay or discharge pursuant to this Section 9 (i) any such claims so long as it shall, in good faith with due diligence and by appropriate legal proceedings contest the validity or amount thereof in any reasonable manner which will not, in the opinion of counsel for the Sublessor or the appropriate Lessor, affect or endanger the interest of the Sublessor, the appropriate Lessor or any security interest, or other rights of any assignee under Section 16 hereof in and to the Equipment, or (ii) any liens arising from claims against the Sublessor or the appropriate Lessor for United States Federal income taxes and any state income or franchise taxes. The Sublessee's obligations under this Section 9 as to any Item of Equipment shall survive the termination of this Sublease with respect to matters arising during the term of this Sublease.

#### SECTION 10.

(This Section 10 left blank intentionally.)

#### SECTION 11. INSURANCE; PAYMENT FOR CASUALTY OCCURRENCE.

11.1. Insurance. The Sublessee will at all times after the Effective Date with respect to an Item of Equipment, at its own expense, keep or cause to be kept each such Item of

Equipment insured against loss by such risks as are customarily insured against by persons or lessees owning or leasing property of a similar character and engaged in a business similar to that engaged in by the Sublessee; provided that the Sublessee shall not be required to provide such coverage to a greater extent than it from time to time insures property of a similar character which it owns or leases. Any insurance policy as to any Item of Equipment shall provide that the Sublessor and the Additional Loss Payees named in the applicable Schedule hereto shall be loss payees and that the proceeds thereof shall be payable to the Sublessor, the Sublessee and the Additional Loss Payees as their interests shall appear. The Sublessee further agrees that it will throughout the term of this Sublease maintain general public liability insurance with respect to the Equipment against damage because of bodily injury, including death, or damage to property of others, such insurance to afford protection to the limit of not less than \$25,000,000 combined single limit in respect of bodily injury, death and damage to property of others. Any such liability insurance described above may have applicable thereto deductible provisions of not more than \$3,000,000, except that any such coverage may have higher deductible provisions applicable thereto which are not higher than deductible provisions maintained by similarly situated companies for similar properties. The Sublessee agrees to effect all insurance provided for in this Section 11.1 with respect to an Item of Equipment with good and responsible companies which are not affiliated with the Sublessor or the Sublessee and are not reasonably objected to by the Sublessor. All such liability policies with respect to an Item of Equipment shall provide that the Sublessor, the Sublessee and the Additional Insureds named in the applicable Schedule shall be additional insureds as their interests may appear. All casualty and liability policies shall provide that the same shall not be cancelled or terminated without at least 30 days' prior written notice to each loss payee or named insured, and the policies shall provide for at least 30 days' prior written notice to each loss payee and named insured of the date on which such policies shall terminate by lapse of time. No such policy shall contain a provision (i) under which the Sublessee is a co-insurer, or (ii) relieving the insurer thereunder of liability for any loss by reason of existence of other policies of insurance covering the Equipment against the peril involved, whether collectible or not, or by reason of the breach or violation by the Sublessee of any warranties, declarations or conditions contained in such policies. Any such insurance may be carried under blanket policies maintained by the Sublessee so long as such policies otherwise comply with the provisions of this Section 11.1. If general public liability insurance shall be carried under any blanket policy which is

subject to aggregate annual claim limitations, the Sublessee shall keep the loss payees and named insureds advised from time to time of the amount of any such limitations. All policies of liability insurance maintained hereunder with respect to an Item of Equipment shall be primary and not contributory with any other policies maintained by the applicable Lessors, Sublessor or Sublessee.

Not later than fourteen (14) days after the Effective Date with respect to an Item of Equipment and annually thereafter during the term of this Sublease the Sublessee shall provide to the Sublessor proof of maintenance of the insurance required by this Section 11.1. The Sublessee shall also provide the Sublessor further evidence of such insurance not less than 30 days prior to cancellation of previously evidenced insurance.

11.2. Duty of Sublessee to Notify Sublessor. The Sublessee shall promptly and fully inform the Sublessor of any Casualty Occurrence with respect to an Item of Equipment, and shall pay the amount determined in accordance with the terms of Section 11.3 hereof.

11.3. Sum Payable for Casualty Loss. The Sublessee, within five (5) days after the date specified in the notice described in this Section 11.3, shall pay to the Sublessor all amounts the Sublessor is required to pay as to any Item of Equipment under the applicable Equipment Lease as a result of a Casualty Occurrence; provided, however, in the event any carrier is liable with respect to a Casualty Occurrence as to such Item of Equipment, the Sublessee shall not be liable to the Sublessor, Lessor or any successor or assign for any amount with respect to such Casualty Occurrence. Sublessee shall cooperate with Sublessor in obtaining payment from any carrier liable for any such Casualty Occurrence. The Sublessor shall give notice to the Sublessee of the date the Sublessor is required to make any payment as to any Casualty Occurrence under the applicable Equipment Lease, the amount of such payment and the calculation of such amount.

11.4. Rent Termination. As of the Casualty Occurrence Date in respect of any Item of Equipment the obligation to pay Monthly Rental for such Item of Equipment accruing subsequent to the Casualty Occurrence Date shall terminate, but the Sublessee shall continue to pay Monthly Rental for all other Items of Equipment, and the indemnities provided for in Section 6 shall continue in full force and effect with respect to any acts, events or omissions relating to any Item of Equipment affected by a Casualty Occurrence.



In the event an Item of Equipment is damaged and thereby forwarded to a repair shop, the Monthly Rental in respect of such Item of Equipment shall continue to be due and payable; provided that if such Item of Equipment is in such repair shop for more than Fifteen (15) days from the date of its arrival, such Monthly Rental shall thereafter cease until such Item of Equipment is released from such repair shop.

In the event an Item of Equipment is derailed and as a result thereof is damaged and is no longer in good order and condition, the Monthly Rental in respect of such Item of Equipment shall thereupon cease until such Item of Equipment is restored to good order and condition.

In the event the title to or the use of any Item of Equipment is requisitioned or otherwise taken by any governmental authority for a period other than for a stated period which exceeds the Initial Sublease Term or any renewal period or extension of this Sublease, then the Monthly Rental in respect of such Item of Equipment shall cease until such Item of Equipment is released by the governmental authority at which time Sublessee's obligation to pay Monthly Rental in respect of the Item of Equipment shall recommence and all payments made by such governmental authority with respect to such Item of Equipment for such period shall belong to and be paid over to Sublessor.

11.5. Disposition of Equipment. The Sublessor shall dispose of any Item or Items of Equipment having suffered a Casualty Occurrence and for which settlement has been made pursuant to Section 11.3 as soon as it is able to do so; provided, however, that if such Casualty Occurrence occurs on the Sublessee's property, the Sublessee shall, as agent for the Sublessor, dispose of such Item or Items of Equipment at the Sublessee's expense; provided, however, that Sublessee shall be entitled to any salvage value of such Item or Items of Equipment. In disposing of such Item or Items of Equipment, the Sublessee shall take such action as the Sublessor shall reasonably request to terminate any contingent liability which the Sublessor or the applicable Lessor might have arising after such disposition from or connected with such Item or Items of Equipment. Sublessor shall not be obligated to replace any Item of Equipment having suffered a Casualty Occurrence.

It is understood and agreed that the Sublessee shall not be liable to the Sublessor for any costs or expenses incurred by the Sublessor in connection with the disposition of any Item of Equipment which suffers a Casualty Occurrence on property other than the Sublessee's property.

11.6. Risk of Loss. The Sublessee, except as hereinabove in this Section 11 provided, shall not be released from its obligations hereunder in the event of any Casualty Occurrence to any Item of Equipment which the Sublessee is required to dispose of pursuant to Section 11.5 hereof until such Item of Equipment or the salvage thereof has been disposed of by the Sublessee and the title to such Item of Equipment or the salvage thereof and all risk of loss and liabilities incident to ownership have been transferred to the purchaser of such Item of Equipment or the salvage thereof.

## SECTION 12. REPORTS.

12.1. Duty of Sublessee to Furnish. On or before March 15, 1986 and each March 15 thereafter during the term of this Sublease, the Sublessee will furnish to the Sublessor an accurate statement, as of the preceding December 31 (a) showing the amount, description and numbers of the Items of Equipment then subleased hereunder, the amount, description and numbers of all Items of Equipment that may have suffered a Casualty Occurrence during the 12 months ending on such December 31 (or since the Effective Date of this Sublease, in the case of the first such statement), and such other information regarding the condition or repair of the Equipment as the Sublessor may reasonably request, and (b) stating that, in the case of all Equipment repainted during the period covered by such statement, the markings required by Section 4.2 hereof shall have been preserved or replaced.

During the term of this Sublease, the Sublessee will furnish directly to Sublessor the following:

(a) As soon as available after the end of each quarterly period, except the last, of each fiscal year, a consolidated balance sheet and profit and loss statement of the Sublessee as of the end of such period, all in reasonable detail and certified by the treasurer or any assistant treasurer of the Sublessee as complete and correct in all material respects, subject to changes resulting from fiscal year-end adjustments (including adjustments for Federal income taxes);

(b) As soon as available, a copy of the Sublessee's annual report, including consolidated balance sheet, consolidated statement of operations and earned surplus and a statement of changes in financial

position of the Sublessee, which statements will have been certified by a firm of independent public accountants of recognized standing selected by the Sublessee covering the operations of the Sublessee;

(c) Within 90 days after the last day of each fiscal year of the Sublessor, a certificate, signed by the treasurer or any assistant treasurer of the Sublessee, to the effect that the signer thereof is familiar with the terms and provisions of the Sublease and that at the date of said certificate is not aware of any default in compliance by the Sublessee with any of the covenants, terms and provisions of this Sublease, or if the signer is aware of any such default, he shall disclose in such certificate the nature thereof and the nature of the action the Sublessee is taking or proposes to take with respect thereto;

(d) Such additional information as the Sublessor may reasonably request concerning the Sublessee and/or each Item of Equipment, in order to enable Sublessor to determine whether the covenants, terms and provisions of the Sublease have been complied with by the Sublessee and to enable the Sublessor to file any reports required of it under the applicable Equipment Lease.

The Sublessee shall furnish to the Sublessor, within a reasonable time prior to the required date of filing, information required by the Sublessor for any and all reports (other than income tax returns) to be filed by the Sublessor with any federal, state or other regulatory authority with respect to this Sublease or the Equipment.

The Sublessee shall report promptly to Sublessor each movement of each Item of Equipment. Such report shall contain the date, car number, description and routing of such movement and any other information which Sublessee receives from any carrier or other source relating to such movement. Sublessor shall use such information in addition to other information Sublessor receives to maintain records to be used to collect mileage allowances, rentals and other compensation payable by carriers.

12.2. Duty of Sublessor to Furnish. During the term of this Sublease, the Sublessor will furnish directly to the Sublessee the following:

(a) As soon as available after the end of each quarterly period, except the last, of each fiscal year, a consolidated balance sheet and profit and loss statement of the Sublessor as of the end of such period, all in reasonable detail and certified by the treasurer or any assistant treasurer of the Sublessor as complete and correct in all material respects, subject to changes resulting from fiscal year-end adjustments (including adjustments for Federal income taxes).

(b) As soon as available, Sublessee shall furnish to Sublessor a copy of the Sublessee's annual report, including consolidated balance sheet, consolidated statement of operations and earned surplus and a statement of changes in financial position of the Sublessee, which statements will have been certified by a firm of independent public accountants of recognized standing selected by the Sublessee covering the operations of the Sublessee.

12.3. Sublessor's Inspection Rights. The Sublessor, the appropriate Lessor and any assignee of the Sublessor pursuant to Section 16 hereof each shall have the right, at their respective sole cost and expense, by their respective authorized representatives, to inspect each Item of Equipment.

SECTION 13. RETURN OF EQUIPMENT UPON EXPIRATION OF TERM OR TERMINATION.

Upon the expiration of the term of this Sublease, or upon termination of this Sublease pursuant to Section 18, with respect to any Item of Equipment, the Sublessee will, at its own cost and expense, at the request of the Sublessor, cause such Item of Equipment (which shall be in the condition required under Section 8) to be transported to such point or points within 500 miles of Kansas City, Missouri as shall be designated by the Sublessor prior to such expiration.

Each Item of Equipment returned by Sublessee upon termination of this Sublease shall be empty, free from residue and in the same good order and condition as it was delivered to Sublessee, ordinary wear and tear excepted. Upon written request of the Sublessor, Sublessee shall reimburse Sublessor for the cost of cleaning any Item of Equipment which contains residue upon return, provided reasonable proof of such contamination shall be furnished to Sublessee, if requested.

Each Item of Equipment shall remain subject to all of the terms of this Sublease (other than the provisions with respect to Monthly Rental) until such Item of Equipment is transported to said point or points pursuant to this Section 13. The transportation of the Equipment as hereinbefore provided is of the essence of this Sublease, and upon application to any court of equity having jurisdiction in the premises the Sublessor shall be entitled to a decree against the Sublessee requiring specific performance of the covenants of the Sublessee to so transport the Equipment. All amounts earned in respect of the Equipment after the date of expiration or termination of this Sublease shall belong to the Sublessor or in the event this Sublease has been assigned pursuant to Section 16 hereof, to such assignee, and, if received by the Sublessee, shall be promptly turned over to the Sublessor or in the case of such assignment, to such assignee; provided, however, that amounts for Mileage, as defined in Section 17.3 hereof, to which the Sublessee is entitled, shall within 5 days after receipt thereof by the Sublessor be paid by wire transfer pursuant to Section 21.2 to the Sublessee subject to the terms of Section 17.3 hereof. In the event any Item of Equipment is not so transported to said point or points as hereinabove provided within 30 days after the expiration or termination of this Sublease, the Sublessee shall pay to the Sublessor for each day thereafter, until such Item of Equipment is so transported, the pro rata Monthly Rental for such Item of Equipment for each such day less the amount, if any, received by the Sublessor (either directly or from the Sublessee) for each such day for such Item of Equipment as hereinabove provided.

#### SECTION 14. DEFAULT.

14.1. Events of Default. Any of the following events shall constitute an Event of Default hereunder:

(a) Default shall be made in the payment of any part of the Monthly Rental or amounts payable as a result of a Casualty Occurrence or any other sums to be paid hereunder and such default shall continue for five days after written notice from the Sublessor or its successors or assigns to the Sublessee, specifying the default and demanding the same be remedied;

(b) The Sublessee shall make or permit any assignment or transfer of this Sublease, or of possession of the Equipment, or any portion thereof, not permitted by this Sublease;

(c) Default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Sublessee contained herein and such default shall continue for 20 days after written notice from the Sublessor to the Sublessee, specifying the default and demanding the same to be remedied;

(d) Any representation or warranty made by the Sublessee herein or in any written statement or certificate furnished pursuant to or in connection with this Sublease is untrue in any material respect as of the date of issuance or making thereof;

(e) The Sublessee shall become insolvent or bankrupt, shall fail to pay its debts generally as they become due or shall admit in writing its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors or applies for or consents to the appointment of a custodian, trustee or receiver for the Sublessee or for a major part of its property;

(f) A custodian, trustee or receiver is appointed for the Sublessee or for the major part of its property and is not discharged within 60 days after such appointment;

(g) Any proceedings shall be commenced by or against the Sublessee for any relief which includes, or might result in, any modification of the obligations of the Sublessee hereunder, under any bankruptcy or insolvency law or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustments of the obligations of the Sublessee hereunder), and, if commenced against the Sublessee, are consented or are not dismissed within 60 days after such proceedings shall have been commenced; or

(h) The Sublessee shall fail to maintain the insurance required pursuant to Section 11 hereof.

14.2. Remedies. If any Event of Default has occurred and is continuing, the Sublessor or, in the event this Sublease shall be assigned to an assignee pursuant to Section 16 hereof, such assignee, at its option, may:

(a) Proceed by appropriate court action or actions, either at law or in equity, to enforce performance by the Sublessee of the applicable covenants of this Sublease or to recover damages for the breach thereof, including reasonable costs and attorneys' fees; and/or

(b) By notice in writing to the Sublessee, terminate this Sublease, whereupon all right of the Sublessee to the use of the Equipment shall absolutely cease and terminate as though this Sublease had never been made, but the Sublessee shall remain liable as hereinafter provided, and thereupon, the Sublessor may by its agents or any other person designated by the Sublessor enter upon the premises of the Sublessee or other premises where any of the Equipment may be located and take possession of all or any of the Items of Equipment and thenceforth hold, possess and enjoy the same free from any right of the Sublessee, or its successors or assigns, to use such Items for any purpose whatever, but the Sublessor shall nevertheless have a right to recover from the Sublessee any and all amounts which may have accrued to the date of such termination (computing the rental for any number of days less than a full calendar month by multiplying the rental for such full calendar month by a fraction of which the numerator is such number of days and the denominator is the total number of days in such full calendar month) and also to recover forthwith from the Sublessee damages, including damages for loss of the bargain, and any other amounts to which the Sublessor is entitled by law. Notwithstanding the foregoing, any amounts due and payable to the Sublessee pursuant to Section 17 and Section 18.1 hereof are and will continue to be due and payable to the Sublessee.

14.3. Cumulative Remedies. The remedies in this Sublease provided in favor of the Sublessor shall not be deemed exclusive, but shall be cumulative and shall be in addition to all other remedies in its favor existing at law or in equity.

14.4. Sublessor's Failure to Exercise Rights. The failure of the Sublessor or any other person or entity to exercise the rights granted it hereunder upon any occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies. No express or implied waiver by the Sublessor or any other person of any Event

of Default shall in any way be, or be construed to be, a waiver of any other Event of Default.

14.5. Notice of Event of Default. Upon any responsible officer becoming aware of any condition which constituted or constitutes an Event of Default under this Sublease or which, after notice or lapse of time, or both, would constitute such an Event of Default, the Sublessee shall promptly furnish to the Sublessor written notice specifying such condition and the nature and status thereof and the steps that the Sublessee has taken and/or intends to take to cure such Event of Default. For the purposes of this Section 14.5 a "responsible officer" shall mean, with respect to the subject matter of any covenant, agreement or obligation of the Sublessee in this Sublease contained, any officer of the Sublessee who, in the normal performance of his operational responsibilities, would have knowledge of such matter and the requirements of this Sublease with respect thereto.

#### SECTION 15. RETURN OF EQUIPMENT UPON DEFAULT.

15.1. Sublessee's Duty to Return. If the Sublessor or any assignee of the Sublessor pursuant to Section 16 hereof shall terminate this Sublease or make any request for return of any Item of Equipment pursuant to Section 14 hereof, the Sublessee shall forthwith deliver possession of such Item of Equipment to the Sublessor and transport such Item of Equipment to such point or points as provided in and pursuant to the terms of Section 13 hereof and otherwise comply with all of the terms of Section 13 hereof as if the term of this Sublease with respect to such Item of Equipment had expired or been terminated.

15.2. Specific Performance. The assembling, delivery and transporting of the Equipment as hereinbefore provided are of the essence of this Sublease, and upon application to any court of equity having jurisdiction in the premises, the Sublessor shall be entitled to a decree against the Sublessee requiring specific performance of the covenants of the Sublessee so to deliver and transport the Equipment.

15.3. Sublessor Appointed Sublessee's Agent. Without in any way limiting the obligation of the Sublessee under the foregoing provisions of this Section 15, the Sublessee hereby irrevocably appoints the Sublessor, its successors and assigns, as the agent and attorney of the Sublessee, with full power and authority, at any time while the Sublessee is obligated to deliver possession of any Item of Equipment to the Sublessor, to



demand and take possession of such Item of Equipment in the name and on behalf of the Sublessee from whomsoever shall be at the time in possession of such Item of Equipment.

SECTION 16. ASSIGNMENTS BY SUBLESSOR.

This Sublease and all rent and all other sums due or to become due hereunder may be assigned in whole or in part by the Sublessor without the consent of the Sublessee, but the Sublessee shall be under no obligation to any assignee of the Sublessor except upon written notice of such assignment from the Sublessor. Upon notice to the Sublessee of any such assignment, the rent and other sums payable by the Sublessee which are the subject matter of the assignment shall be paid to or upon the written order of the assignee. Without limiting the foregoing, the Sublessee further acknowledges and agrees that all obligations of the Sublessor to the Sublessee under this Sublease shall be and remain enforceable by the Sublessee against, and only against, the Sublessor.

SECTION 17. ASSIGNMENTS BY SUBLESSEE; USE AND POSSESSION; MILEAGE.

17.1. Sublessee's Rights to the Equipment. The Sublessee may use the Equipment in accordance with the terms of this Sublease. The Sublessee shall not assign, transfer or encumber its leasehold interest under this Sublease in any of the Equipment or sublease any Item of Equipment, voluntarily or involuntarily, whether by operation of law or otherwise, without the prior written consent of the Sublessor. The Sublessee shall not part with the possession or control of, or suffer or allow to pass out of its possession or control, any Item of Equipment, except to the extent permitted by the provisions of Section 17.2 hereof.

17.2. Use and Possession on Lines other than Sublessee's Own. The Equipment may be used upon the lines of any railroad owned or operated by any railroad company or companies incorporated in the United States of America (or any state thereof or District of Columbia) or over which such railroad company or companies have trackage rights or rights for operation of their trains, and upon connecting and other carriers in the usual interchange of traffic, but only upon and subject to all of the terms and conditions of this Sublease. Notwithstanding the foregoing, the Sublessee covenants, represents and warrants that none of the Equipment shall be used or located outside the United States during any calendar year by any person or entity, and the

Sublessee shall indemnify the Sublessor for any liability arising or amounts payable by the Sublessor (including any amounts payable under any Tax Indemnity Agreement or Tax Indemnification Agreement) as a result of such use or location. The Sublessee is authorized to place any Item or Items of Equipment in a railroad pool and is authorized to allow any railroad to use any Item or Items of Equipment; provided that such pool or use agreement is expressly made subordinate to this Sublease and provided that the terms of any such agreement must not violate or breach any provision of this Sublease; must not be for a period which exceeds the shorter of (i) one year less one day or (ii) the then remaining term of this Sublease with respect to such Item or Items of Equipment; and must expressly provide that such Item or Items of Equipment shall not be used or located outside of the United States at any time.

17.3. Mileage Allowance. The Sublessee shall be entitled to receive all mileage allowance rentals and/or other compensation (hereinafter referred to as "Mileage") payable to Sublessor by carriers by reason of the use of an Item of Equipment during the period commencing on the Effective Date with respect thereto and ending upon the termination of this Sublease with respect thereto. Upon receipt by the Sublessor of such Mileage then (unless an Event of Default or event which, with the passage of time or the giving of notice, or both, would constitute such an Event of Default shall have occurred and be continuing, in which event such Mileage or portion thereof shall be retained by the Sublessor until such Event of Default or event which, with the passage of time or the giving of notice, or both, would constitute such an Event of Default shall no longer be continuing) the Sublessor shall remit such Mileage to the Sublessee within five (5) days after the receipt thereof by wire transfer to the Sublessee as designated in Section 21.2 hereof.

Sublessor agrees to indemnify Sublessee for revenues lost from tariff or pool reductions in Mileage paid by the carriers described below and by the additional carriers Kansas City Southern and Illinois Central Gulf for use of the Items of Equipment from those Mileage allowances published or (as to pools) offered by such carriers as of March 4, 1985. However, in the event that the Sublessee negotiates an agreement with any such carrier which provides a lower payment per mile than the amount of mileage compensation in effect as of March 4, 1985 for said carrier or in the event the Sublessee enters into a pool agreement and accepts a lower payment per mile than that offered generally by such carrier on March 4, 1985 for pooling arrangements, then the Sublessor shall be absolved from the obligation

to indemnify the Sublessee on any and all shipments affected by any such agreement. Such mileage allowances paid by the following carriers as of March 4, 1985 include, but are not limited to, the following Gulf export tariff mileage allowances and pooling mileage allowances:

<u>Carrier</u>	<u>Allowance Per Mile to Gulf for Export</u>
Missouri Pacific/Union Pacific	\$0.24
Santa Fe	\$0.30 (single line)
Missouri, Kansas, Texas/ Oklahoma, Kansas, Texas Railroad	\$0.30
Burlington Northern (other than pool cars)	\$0.10
Burlington Northern pool cars	\$0.18
Southern Pacific/SSW	\$0.24

Sublessee agrees to use its best efforts to use each Item of Equipment so as to cause its total mileage under load to equal or exceed its mileage empty on each railroad over which the Item of Equipment moves. In the event the Sublessor is notified by any railroad that it must equalize such mileage or pay for the excess empty mileage, Sublessor shall notify Sublessee of such demand and Sublessee shall equalize such mileage as required by such railroad or pay Sublessor for the excess empty mileage at the rate established by the governing tariff.

#### SECTION 18. OPTION TO TERMINATE.

18.1. Sublessor Option. In the event this Sublease is in effect on January 1, 1987, the Sublessor shall have the option as of January 1, 1987, and at any time thereafter, to terminate this Sublease with respect to any Item or Items of Equipment by giving written notice of such termination to the Sublessee at least ninety (90) days prior to the date of termination specified in such notice, provided the Sublessor exercises its option to terminate as to any Item or Items of Equipment and at the time of giving such notice has an offer which it desires to accept to sublease any such Item or Items of Equipment to another party under a sublease containing terms more favorable to Sublessor than the terms of this Sublease, Sublessee shall have the right for a period of forty-five (45) days after receipt of such notice of termination to renegotiate this Sublease with Sublessor on the

same terms as are being offered by the other potential sublessee. In addition, the Sublessor shall have the option to terminate this Sublease with respect to any Item or Items of Equipment if there shall have been commencement of the exercise of any remedies under the applicable Equipment Lease, including the termination of such Equipment Lease, upon the earlier of (i) the expiration of ninety (90) days after giving written notice of termination or (ii) the termination of the applicable Equipment Lease. In the event this Sublease is terminated for any reason other than pursuant to this Section prior to the expiration of a thirty-six month period commencing on June 1, 1985, the Sublessor will pay to the Sublessee the credit specified in Section 2.1(a) hereof for the remainder of such thirty-six month period. In the event this Sublease is terminated in its entirety pursuant to this Section prior to the expiration of a thirty-six month period commencing on June 1, 1985, the Sublessor will nevertheless pay to the Sublessee a single lump sum by wire transfer pursuant to Section 21.2 the credit specified in Section 2.1(a) hereof for the remainder of such thirty-six month period.

18.2. Sublessee Option. The Sublessee may require the Sublessor to terminate this Sublease as to Two Hundred and Fifty (250) Items of Equipment if effective December 31, 1988 the Sublessor is in the grain business which would require the Sublessor to utilize such Items of Equipment. It is understood that the grain business does not include the movement, manufacture or sale of feed.

SECTION 19. INTEREST ON OVERDUE RENTALS AND OTHER AMOUNTS DUE AND PAYABLE TO SUBLESSOR.

Anything to the contrary herein contained notwithstanding any nonpayment of rent or any other amount due hereunder with respect to any Item of Equipment shall result in the additional obligation on the part of the Sublessee to pay an amount equal to the current seasonal loan rate charged by the Wichita Bank for Cooperatives on the overdue rentals or other amounts for the period of time during which they are overdue and not paid.

SECTION 20. INTEREST ON OVERDUE MILEAGE AND OTHER AMOUNTS DUE AND PAYABLE TO SUBLESSEE.

Anything to the contrary herein contained notwithstanding any nonpayment of Mileage or any other amount due and payable to the Sublessee hereunder with respect to any Item

of Equipment shall result in the additional obligation on the part of the Sublessor to pay an amount equal to the current seasonal loan rate charged by the Wichita Bank for Cooperatives on the overdue Mileage or other amounts for the period of time during which they are overdue and not paid.

## SECTION 21. MISCELLANEOUS.

21.1. Limitations of Liability. It is expressly understood and agreed by and between the Sublessor and the Sublessee that this Sublease is executed by the Sublessee and the Sublessor in their corporate capacity and that nothing herein contained shall be construed as creating any liability on any incorporator or member or any past, present or future subscriber to the capital stock of, or stockholder, officer or director of, the Sublessee or the Sublessor to perform any covenant either express or implied contained herein, all such liability, if any, being expressly waived by the Sublessee and the Sublessor and by each and every person now or hereafter claiming by, through or under the Sublessee and the Sublessor.

21.2. Notices. Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when deposited in the United States mails, certified, postage prepaid, addressed as follows:

If to the Sublessor: Farmland Industries, Inc.  
3315 North Oak Trafficway  
Kansas City, Missouri 64116  
One copy to Attention:  
Financial Vice-President  
One copy to Attention:  
Vice-President - Traffic

Payments to the Sublessor hereunder  
to be made as follows:

By bank wire transfer of Federal or  
other immediately available funds  
(identifying each payment as to  
Monthly Rental or Casualty Occurrence  
payment and requesting notification of  
Cash Manager of the Sublessor (phone:  
(816) 459-6778) upon receipt of funds)  
to:

Commerce Bank of Kansas City, N.A.  
10th and Walnut Streets  
Kansas City, Missouri 64141  
A.B.A #10-1000019

for credit to Farmland Industries,  
Inc., Account No. 111-317-0

If to the Sublessee:

Union Equity Co-Operative Exchange  
P.O. Box 3408  
Enid, Oklahoma 73702  
One copy to Attention:  
Vice-President, Administrative  
Services and Treasurer  
One copy to Attention:  
Assistant Vice President,  
Transportation

By bank wire transfer of Federal or  
other immediately available funds to:

Central National Bank and Trust  
P.O. Box 3448  
Enid, Oklahoma 73702  
A.B.A. #1031-0019-5

for credit to Union Equity  
Co-Operative Exchange, Account  
No. 08-558-301

If to the appropriate  
Lessor of any Item of  
Equipment at the address  
specified on the applicable  
Schedule

or paid at such other address as such party shall hereafter  
furnish to such other parties in writing.

21.3. Right of Sublessor to Perform. If the Sublessee  
shall fail to comply with any of its covenants herein contained,  
either the Sublessor or, in the case of an assignment by the  
Sublessor pursuant to Section 16 hereof, the assignee thereunder  
may, but shall not be obligated to, make advances to perform the  
same and to take all such action as may be necessary to obtain  
such performance. Any payment so made by any such party and all  
cost and expense (including, without limitation, reasonable  
attorneys' fees and expenses) incurred in connection therewith

shall be payable by the Sublessee to the party making the same upon demand as additional rent hereunder, with interest at the current seasonal loan rate charged by the Wichita Bank for Cooperatives.

21.4. Right of Sublessee to Perform. If the Sublessor shall fail to comply with any of its covenants herein contained, the Sublessee may, but shall not be obligated to, make advances to perform the same and take all such action as may be necessary to obtain such performance. Any payment so made by the Sublessee and all cost and expense (including, without limitation, reasonable attorneys' fees and expenses) incurred in connection therewith shall be payable by the Sublessor to the Sublessee, with interest at the current seasonal loan rate charged by the Wichita Bank for Cooperatives.

21.5. Law Governing. This Sublease shall be construed in accordance with the laws of the state of Missouri; provided, however, that the parties shall be entitled to all rights conferred by any applicable Federal statute, rule or regulation.

21.6. Covenants, Representations and Warranties of Sublessee. The Sublessee covenants, represents and warrants, as of the date of execution of this Sublease, that (i) the Sublessee is a corporation duly incorporated and validly existing in good standing under the laws of the State of Oklahoma; (ii) the Sublessee is a taxable cooperative association; (iii) the Sublessee has the corporate or other power and authority to own its property and carry on its business as now being conducted, to enter into and perform its obligations under this Sublease and is duly qualified to do business as a foreign corporation in all jurisdictions in which such qualification is necessary to carry out the terms of this Sublease and to operate its business to the extent currently operated; (iv) the Sublessee is not in default under any indenture, lease or other agreement or instrument for borrowed money to which it is a party; (v) the Sublessee is in substantial compliance with the applicable laws, rules and regulations of all government agencies or instrumentalities having jurisdiction over the Sublessee or its business activities; (vi) the Sublessee is not a party to any agreement, lease or instrument or subject to any charter or other corporate restriction which will materially adversely affect its financial condition, business or operations or its ability to perform its obligations under this Sublease and has obtained all required consents, corporate and other, to enter into and perform its obligations hereunder; (vii) there are no pending or threatened actions or proceedings before any court or administrative agency which will materially adversely affect the condition, business or

operations of the Sublessee and its subsidiaries taken as a whole or its ability to perform its obligations under this Sublease; (viii) this Sublease has been duly authorized, executed and delivered and is valid, binding and enforceable against the Sublessee in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and subject to equitable principles relating to specific performance.

21.7. Covenants, Representations and Warranties of Sublessor. The Sublessor covenants, represents and warrants, as of the date of execution of this Sublease, that (i) the Sublessor is a corporation duly incorporated and validly existing in good standing under the laws of the State of Kansas, (ii) the Sublessor is a cooperative association; (iii) the Sublessor has the corporate or other power and authority to own its property and carry on its business as now being conducted; to enter into and perform its obligations under this Sublease and is duly qualified to do business as a foreign corporation in all jurisdictions in which such qualification is necessary to carry out the terms of this Sublease and to operate its business to the extent currently operated; (iv) the Sublessor is not in default under any indenture, lease or other agreement or instrument for borrowed money to which it is a party; (v) the Sublessor is in substantial compliance with the applicable laws, rules and regulations of all government agencies or instrumentalities having jurisdiction over the Sublessor or its business activities; (vi) the Sublessor is not a party to any agreement, lease or instrument or subject to any charter or other corporate restriction which will materially adversely affect its financial condition, business or operations or its ability to perform its obligations under this Sublease and has obtained all required consents, corporate and other, to enter into and perform its obligations hereunder; (vii) there are no pending or threatened actions or proceedings before any court or administrative agency which will materially adversely affect the condition, business or operations of the Sublessor and its subsidiaries taken as a whole or its ability to perform its obligations under this Sublease except as may be disclosed on Schedule H hereto; (viii) this Sublease has been duly authorized, executed and delivered and is valid, binding and enforceable against the Sublessor in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and subject to equitable principles relating to specific performance.

21.8. Headings and Table of Contents. All Section headings and the Table of Contents and the cover page hereof are



inserted for convenience only and shall not affect any construction or interpretation of this Sublease.

21.9. Effect and Modification of Sublease. This Sublease exclusively and completely states the rights of the Sublessor and the Sublessee with respect to the subleasing of the Equipment and supersedes all other agreements, oral or written, with respect thereto, except that the rights of the Sublessee under this Sublease as to any Item of Equipment are subject and subordinate to the rights and interests of the appropriate Lessor under the Equipment Lease with respect thereto. No variation or modification of this Sublease and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized signatories for the Sublessor and the Sublessee, and by duly authorized signatories for the appropriate Lessor with respect to any variation or modification which may adversely affect such Lessor's interest as to an Item of Equipment under the applicable Equipment Lease.

21.10. Severability. Any provision of this Sublease which is prohibited or unenforceable in any jurisdiction shall be as to such jurisdiction ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction; provided, however, that if the prohibition or unenforceability of any provision of this Sublease adversely affects the rights of either Sublessee or Sublessor in a substantial and material way so that continued application of the remaining provisions would be unfair or inequitable as to the adversely affected party, then the parties shall be required to renegotiate that prohibited or unenforceable provision in good faith and in an expeditious manner. If, within one month of commencement of such negotiations, no agreement has been reached, the matter may, at the option of the party adversely affected by the prohibition or unenforceability, be submitted to binding arbitration and settled thereby in accordance with the Rules of the American Arbitration Association.

21.11. OT-5 Approvals. Exhibit I, attached hereto and made a part hereof, lists the OT-5 approvals in effect as of May 31, 1985 for the Items of Equipment. It is understood that the transfer to the Sublessee of said OT-5 approvals through the Association of American Railroads is not necessary to permit Sublessee's use of said OT-5 approval at the locations as indicated on Exhibit I.

IN WITNESS WHEREOF, the parties hereto have caused this

Sublease to be executed by their respective officers thereunder duly authorized and the corporate seals to be hereto affixed as of the day and year first above written.

THIS CONTRACT CONTAINS A BINDING ARBITRATION  
PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.

FARMLAND INDUSTRIES, INC.

By /s/ Kenneth A. Nielsen

Its President

[CORPORATE SEAL]

ATTEST:

/s/ Henry N. Dyhouse  
Secretary

UNION EQUITY CO-OPERATIVE EXCHANGE

By /s/ William R. Allen Jr.

Its Executive Vice President

[CORPORATE SEAL]

ATTEST:

/s/ Edwin Wallace  
Assistant Secretary

STATE OF TEXAS       )  
                          ) ss.  
COUNTY OF HARRIS    )

On this 5th day of June, 1985, before me, Pamela Sue Wattersen, personally appeared William R. Allen, Jr., to me personally known, who being by me duly sworn, says that he is the Executive Vice President of UNION EQUITY CO-OPERATIVE EXCHANGE, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

          /s/ Pamela Sue Wattersen            
Notary Public

[NOTARIAL SEAL]

My commission expires: 8-14-85

STATE OF MISSOURI    )  
                          ) ss.  
COUNTY OF CLAY      )

On this 4th day of June, 1985, before me, Winnie B. Sicks, personally appeared Kenneth A. Nielsen, to me personally known, who being by me duly sworn, says that he is the President of FARMLAND INDUSTRIES, INC., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

          /s/ Winnie B. Sicks            
Notary Public

[NOTARIAL SEAL]

My commission expires: July 23, 1987

SCHEDULE A-1  
DESCRIPTION OF EQUIPMENT AND OTHER MATTERS  
RELATING TO SUBLEASE OF EQUIPMENT INCLUDED UNDER  
B.A. RAIL TRUST NO. 1

Manufacturer of Equipment:	Hawker Siddeley Canada Ltd.
Description and Mark and Number of Items of Equipment:	328 100-ton covered Hopper Cars, AAR Mechanical Designation LO, Manufacturer Specification LO-132, Marked and Numbered as follows: FLIX 2029 through 2030 FLIX 2040 FLIX 2042 FLIX 2054 FLIX 2073 FLIX 2102 through 2103 FLIX 2112 FLIX 2129 through 2130 FLIX 2132 FLIX 2137 through 2140 FLIX 2148 FLIX 2158 FLIX 2165 through 2166 FLIX 2174 FLIX 2176 FLIX 2181 FLIX 2190 through 2249 FLIX 2251 through 2261 FLIX 2263 through 2281 FLIX 2283 through 2354 FLIX 2356 FLIX 2358 through 2499
Equipment Lease:	Equipment Lease, dated as of June 15, 1979, under B.A. Rail Trust No. 1, as amended and supplemented
Tax Indemnification Agreement:	Tax Indemnification Agreement, dated as of June 15, 1979, under B.A. Rail Trust No. 1, as amended and supplemented

Name of Lessor and  
Address of Lessor:

Mercantile Trust Company  
National Association, as  
Trustee under B.A. Rail  
Trust No. 1  
One Mercantile Center  
St. Louis, Missouri 63101  
Attention: Corporate Trust  
Department

Trustor:

BameriLease Inc.

Final Termination Date:

December 27, 1994

Additional Loss Payees:

Mercantile Trust Company  
National Association, as  
Trustee under B.A. Rail  
Trust No. 1  
Boatmen's First National Bank  
of Kansas City (formerly  
The First National Bank of  
Kansas City) and its  
assigns

Additional Insureds:

Mercantile Trust Company  
National Association, as  
Trustee under B.A. Rail  
Trust No. 1  
BameriLease Inc.  
Boatmen's First National Bank  
of Kansas City (formerly  
The First National Bank of  
Kansas City)

Marking Required on Equipment:

"Leased from a Bank or Trust  
Company, as Owner-Trustee and  
subject to a Security Interest  
Recorded with the I.C.C."

SCHEDULE B-1  
DESCRIPTION OF EQUIPMENT AND OTHER MATTERS  
RELATING TO SUBLEASE OF EQUIPMENT INCLUDED UNDER  
F.I. TRUST NO. 6

Manufacturer of Equipment:	ACF Industries, Incorporated
Description and Mark and Number of Items of Equipment:	15 100-ton covered Hopper Cars, Marked and Numbered as follows: FLIX 502 FLIX 520 FLIX 523 FLIX 525 FLIX 527 FLIX 529 FLIX 532 FLIX 557 FLIX 562 through 564 FLIX 566 FLIX 572 FLIX 576 FLIX 593
Equipment Lease:	Equipment Lease, dated as of September 1, 1977, under F.I. Trust No. 6, as amended and supplemented
Tax Indemnity Agreement:	Tax Indemnity Agreement, dated as of September 1, 1977, under F.I. Trust No. 6, as amended and supplemented
Name of Lessor and Address of Lessor:	The First National Bank of Chicago, as Trustee under F.I. Trust No. 6 One First National Plaza Chicago, Illinois 60670 Attention: Corporate Trust Division
Trustor:	American Road Equity Corporation

Final Termination Date:

January 17, 1993

Additional Loss Payees:

The First National Bank of  
Chicago, as Trustee under  
F.I. Trust No. 6  
The First National Bank of  
Chicago, as Assignee under  
F.I. Trust No. 6 and  
assigns  
New England Mutual Life  
Insurance Company

Additional Insureds:

The First National Bank of  
Chicago, as Trustee under  
F.I. Trust No. 6  
American Road Equity  
Corporation  
The First National Bank of  
Chicago, as Assignee under  
F.I. Trust No. 6  
New England Mutual Life  
Insurance Company

Marking Required on Equipment:

"Leased from the First  
National Bank of Chicago, as  
Trustee, and subject to a  
Security Interest recorded  
with the I.C.C."

SCHEDULE C-1  
DESCRIPTION OF EQUIPMENT AND OTHER MATTERS  
RELATING TO SUBLEASE OF EQUIPMENT INCLUDED UNDER  
F.I. TRUST NO. 7

Manufacturer of Equipment:	Pullman Incorporated
Description and Mark and Number of Items of Equipment:	99 100-ton covered Hopper Cars, marked and numbered FLIX 600 through 678 and 680 through 699
Equipment Lease:	Equipment Lease, dated as of August 1, 1978, under F.I. Trust No. 7, as amended and supplemented
Tax Indemnity Agreement:	Tax Indemnity Agreement, dated as of August 1, 1978, under F.I. Trust No. 7, as amended and supplemented
Name of Lessor and Address of Lessor:	The First National Bank of Chicago, as Trustee under F.I. Trust No. 7 One First National Plaza Chicago, Illinois 60670 Attention: Corporation Trust Division
Trustor:	American Road Equity Corporation
Final Termination Date:	September 27, 1993
Additional Loss Payees:	The First National Bank of Chicago, as Trustee under F.I. Trust No. 7 New England Mutual Life Insurance Company and assigns



Additional Insureds:

The First National Bank of  
Chicago, as Trustee under  
F.I. Trust No. 7  
New England Mutual Life  
Insurance Company  
American Road Equity  
Corporation

Marking Required on Equipment:

"Leased from The First  
National Bank of Chicago, as  
Trustee, and subject to a  
Security Interest Recorded  
with the I.C.C."

SCHEDULE D-1  
DESCRIPTION OF EQUIPMENT AND OTHER MATTERS  
RELATING TO SUBLEASE OF EQUIPMENT INCLUDED UNDER  
F.I. TRUST NO. 8

Manufacturer of Equipment:	Hawker Siddeley Canada Ltd.
Description and Mark and Number of Items of Equipment:	163 100-ton covered Hopper Cars, marked and numbered as follows: FLIX 2000 through 2028 FLIX 2031 through 2039 FLIX 2041 FLIX 2043 through 2053 FLIX 2055 through 2072 FLIX 2074 through 2081 FLIX 2083 through 2101 FLIX 2104 through 2111 FLIX 2113 through 2128 FLIX 2131 FLIX 2133 through 2136 FLIX 2141 through 2144 FLIX 2146 FLIX 2149 through 2157 FLIX 2159 through 2160 FLIX 2162 through 2164 FLIX 2167 through 2173 FLIX 2175 FLIX 2177 through 2180 FLIX 2182 through 2189
Equipment Lease:	Equipment Lease, dated as of May 22, 1979, under F.I. Trust No. 8, as amended and supplemented
Tax Indemnification Agreement:	Tax Indemnification Agreement, dated as of May 22, 1979, under F.I. Trust No. 8, as amended and supplemented

Name of Lessor and  
Address of Lessor:

Mercantile Trust Company  
National Association, as  
Trustee under F.I. Trust  
No. 8  
One Mercantile Center  
St. Louis, Missouri 63101  
Attention: Corporate Trust  
Department

Trustor:

BameriLease Capital  
Corporation

Final Termination Date:

December 27, 1994

Additional Loss Payees:

Mercantile Trust Company  
National Association, as  
Trustee under F.I. Trust  
No. 8  
Boatmen's First National Bank  
of Kansas City (formerly  
The First National Bank of  
Kansas City) and assigns

Additional Insureds:

Mercantile Trust Company  
National Association, as  
Trustee under F.I. Trust  
No. 8  
Boatmen's First National Bank  
of Kansas City (formerly  
The First National Bank of  
Kansas City)  
BameriLease Capital  
Corporation

Marking Required on Equipment:

"Leased from a Bank or Trust  
Company, as Owner-Trustee and  
subject to a Security Interest  
Recorded with the I.C.C."

SCHEDULE E-1  
DESCRIPTION OF EQUIPMENT AND OTHER MATTERS  
RELATING TO SUBLEASE OF EQUIPMENT INCLUDED UNDER  
F.I. TRUST NO. 9

Manufacturer of Equipment:	Marine Industries Limited
Description and Mark and Number of Items of Equipment:	97 100-ton covered Hopper Cars, marked and numbered FLIX 2600, 2602 through 2613, 2615 through 2645, 2647 through 2699
Equipment Lease:	Equipment Lease, dated as of November 21, 1979, under F.I. Trust No. 9, as amended and supplemented
Tax Indemnification Agreement:	Tax Indemnification Agreement, dated as of November 21, 1979, under F.I. Trust No. 9, as amended and supplemented
Name of Lessor and Address of Lessor:	St. Louis Union Trust Company, as Trustee under F.I. Trust No. 9 510 Locust Street St. Louis, Missouri 63101 Attention: Corporate Trust Department
Trustor:	Centerre Bank (formerly The First National Bank in St. Louis)
Final Termination Date:	February 15, 1998
Additional Loss Payees:	St. Louis Union Trust Company, as Trustee under F.I. Trust No. 9 Boatmen's First National Bank of Kansas City (formerly The First National Bank of Kansas City) and assigns

Additional Insureds:

St. Louis Union Trust Company,  
as Trustee under F.I. Trust  
No. 9

Boatmen's First National Bank  
of Kansas City (formerly  
The First National Bank of  
Kansas City)

Centerre Bank (formerly The  
First National Bank in St.  
Louis)

Marking Required on Equipment:

"Leased from a Bank or Trust  
Company, as Owner-Trustee and  
Subject to a Security Interest  
Recorded with the I.C.C."

SCHEDULE F-1  
DESCRIPTION OF EQUIPMENT AND OTHER MATTERS  
RELATING TO SUBLEASE OF EQUIPMENT INCLUDED UNDER  
F.I. LEASE NO. 10

Manufacturer of Equipment:	Trinity Industries, Inc.
Description and Mark and Number of Items of Equipment:	270 100-ton covered Hopper Cars, marked and numbered as follows: FLIX 2700 through 2742 FLIX 2744 through 2754 FLIX 2756 through 2889 FLIX 2891 through 2924 FLIX 2926 through 2927 FLIX 2929 through 2938 FLIX 2940 through 2948 FLIX 2950 through 2972 FLIX 2974 FLIX 2976 FLIX 2978 through 2979
Equipment Lease:	Equipment Lease, dated as of February 1, 1980 (F.I. Lease No. 10), as amended and supplemented
Tax Indemnification Agreement:	Tax Indemnification Agreement, dated as of February 1, 1980, as amended and supplemented
Name of Lessor and Address of Lessor:	Security Pacific Equipment Leasing, Inc. One Embarcadero Center San Francisco, California 94111 Attention: Leveraged Lease Department, Suite 710
Trustor:	Not Applicable

Final Termination Date:

January 1, 1999

Additional Loss Payees:

Security Pacific Equipment  
Leasing, Inc.  
Boatmen's First National Bank  
of Kansas City (formerly  
The First National Bank of  
Kansas City) and assigns

Additional Insureds:

Security Pacific Equipment  
Leasing, Inc.  
Boatmen's First National Bank  
of Kansas City (formerly  
The First National Bank of  
Kansas City)

Marking Required on Equipment:

"Ownership Subject to Security  
Agreement on file with the  
Interstate Commerce  
Commission"

SCHEDULE G-1  
DESCRIPTION OF EQUIPMENT AND OTHER MATTERS  
RELATING TO SUBLEASE OF EQUIPMENT INCLUDED UNDER  
F.I. LEASE NO. 11

Manufacturer of Equipment:	Trinity Industries, Inc.
Description and Mark and Number of Items of Equipment:	336 100-ton covered Hopper Cars, marked and numbered as follows: FLIX 2975 FLIX 2977 FLIX 2980 through 2995 FLIX 2997 FLIX 2999 through 3006 FLIX 3008 through 3018 FLIX 3020 through 3023 FLIX 3025 through 3027 FLIX 3029 through 3094 FLIX 3096 through 3123 FLIX 3125 through 3127 FLIX 3129 through 3145 FLIX 3147 through 3275 FLIX 3277 through 3324
Equipment Lease:	Equipment Lease, dated as of June 1, 1980 (F.I. Lease No. 11), as amended and supplemented
Tax Indemnification Agreement:	Tax Indemnification Agreement, dated as of June 1, 1980, as amended and supplemented
Name of Lessor and Address of Lessor:	Security Pacific Commercial Leasing, Inc. One Embarcadero Center San Francisco, California 94111 Attention: Leveraged Lease Department, Suite 710
Trustor:	Not Applicable



• Final Termination Date:

January 1, 1999

Additional Loss Payees:

Security Pacific Commercial  
Leasing, Inc.  
Boatmen's First National Bank  
of Kansas City (formerly  
The First National Bank of  
Kansas City) and assigns

Additional Insureds:

Security Pacific Commercial  
Leasing, Inc.  
Boatmen's First National Bank  
of Kansas City (formerly  
The First National Bank of  
Kansas City)

Marking Required on Equipment:

"Ownership Subject to Security  
Agreement on file with the  
Interstate Commerce  
Commission"

SCHEDULE H  
PENDING OR THREATENED ACTIONS  
OR PROCEEDINGS

On February 19, 1985 Cyrus S. Eaton, Jr. filed suit in the Northern District of Ohio against Farmland Industries and two of its subsidiaries seeking \$611 million in compensatory damages and \$225 million in punitive damages for alleged breach of contract, misrepresentation, fraudulent inducement, breach of fiduciary duty and RICO violations. While we believe that the plaintiff's claims are completely without merit, nevertheless, the amounts sought in this matter are of a material nature.

## EXHIBIT I

<u>Location</u>	<u>Switch Carriers</u>	<u>Linehaul Carriers</u>	<u>500's</u>	<u>600's</u>	<u>2000's</u>	<u>2600's</u>	<u>2700's</u>	<u>Total</u>
Hutchinson A	ATSF		15	99	491	97	606	1308
	SSW		15	" *	"	"	"	1308
		MOP	"	"	"	"	"	1308
" B	ATSF		"	"	"	"	"	1308
	SSW		"	" *	"	"	"	1308
		MOP	"	"	"	"	"	1308
" C	ATSF		"	"	"	"	"	1308
		MOP	"	"	"	"	"	1308
		SSW	"	" *	"	"	"	1308
Kansas City, KS	UP/MOP		"	"	"	"	"	1308
		ATSF	"	"	"	"	"	1308
		BN(SLSF)		"	"	"	"	1293
		CNW	15	"	"			605
		DRGW				97	606	703
		ICG	15			"	"	718
		KCS		99	491	"	"	1293
		MILW(SOO)	15	"	"	"	"	1308
		MKT	"	"	"	"	"	1308
		NW		"	"	"	"	1293
		SP/SSW	15					15
		UP/MOP	"	99	491	97	606	1308
Topeka	UP/MOP		"	"	"	"	"	1308
		SSW						0
		ATSF	15	99	491	97	606	1308
		MKT	"	"	"	"	"	1308
Wichita	UP/MOP			"	"	"	"	1293
		ATSF	15	"	"	"	"	1308
		OKKT	"	"	"	"	"	1308
		BN(SLSF)				"	"	703
Denver (Commerce City)	BN				491	"	"	1194
	UP/MP		15	99	"	"	"	1308
		ATSF	"	"	"			605
		DRGW		"	"	97	606	1293
Lincoln	OL&B							N/A
		BN			491	97	606	1194
		UP/MOP	15	99	"	"	"	1308
		MKT	"	"	"	"	"	1308
Omaha	ICG		"			"	"	718
	UP/MOP		"	99	491	"	"	1308
		BN			"	"	"	1194
		CNW	15	99	"			605
		ICG	"			97	606	718
		MILW(SOO)	"	99	491	97	"	1308
		MKT	"	"	"	"	"	1308
		NW		"	"	"	"	1293
		UP/MP	"	"	"	"	"	1308
Ft. Worth	BN(FWD)			"		"	"	802
		ATSF	15	"	491	"	"	1308
		UP/MOP		"	"	"	"	1293

<u>Location</u>	<u>Switch Carriers</u>	<u>Linehaul Carriers</u>	<u>500's</u>	<u>600's</u>	<u>2000's</u>	<u>2600's</u>	<u>2700's</u>	<u>Total</u>
		MKT	15	99	491	97	606	1308
		SP/SSW		"				99
		KCS(L&A)				97	606	703
Enid A	OKT		15	99	491	"	606	1308
		ATSF	"	"	"	"	"	1308
		BN(SLSF)		"		"	"	802
B	OKT		15	"	491	"	"	1308
		ATSF	"	"	"	"	"	1308
		BN(SLSF)		"		"	"	802
Y	BN(SLSF)			"		"	"	802
	ATSF		15	"	"	"	"	1308
		OKT	"	"	"	"	"	1308
Z	BN(SLSF)			"		"	"	802
	ATSF		15	"	491	"	"	1308
		OKT	"	"	"	"	"	1308

\* The 99 FLIX 600 series cars do not have formal OT-5 Authority on the SP/SSW at Hutchinson even though the SSW has not granted written OT-5 Authority, they have extended verbal authority to load and route the cars via SSW out of Hutchinson. Far-Mar-Co has not experienced any difficulty operating these cars at Hutchinson.

CERTIFICATE

I, Carol S. Sturman, have compared the attached copy of Equipment Sublease with the original of such Equipment Sublease and have found such copy to be complete and identical in all respects to the original document.

Dated this 11<sup>th</sup> day of June, 1985.

Carol S. Sturman  
Signature of Notary Public

My Commission expires:

October 20, 1987

